

**AGENDA**  
**FREMONT REDEVELOPMENT AGENCY REGULAR MEETING**  
**MAY 11, 2010**  
**7:00 P.M.**

**1. CALL TO ORDER**

**2. CONSENT CALENDAR**

*Items on the Consent Calendar are considered to be routine by the Redevelopment Agency and will be enacted by one motion and one vote. There will be no separate discussion of these items unless an Agency Member or citizen so requests, in which event the item will be removed from the Consent Calendar and considered in its normal sequence on the agenda. Additionally, other items without a "Request to Address the Redevelopment Agency Board" card in opposition may be added to the consent calendar. (In the report section of the agenda, consent items are indicated by an asterisk.)*

2.1 *Approval of Minutes – for the Special Meeting of January 26, 2010 and the Regular Meeting of March 23, 2010*

2.2 **AUTHORIZATION TO PROVIDE FUNDING FOR THE MACAU CULTURAL CENTER REHABILITATION PROJECT**

*Authorization for the Executive Director to Execute Such Documents as Necessary to Provide Funding through the Commercial Building Rehabilitation Program to the Macau Cultural Center for the Rehabilitation of its Property Located at 37695 Niles Boulevard*

**Contact Person:**

<b>Name:</b>	<i>Deepa Venkat Ram</i>	<i>Josh Huber</i>
<b>Title:</b>	<i>Management Analyst I</i>	<i>Project Manager</i>
<b>Dept.:</b>	<i>Redevelopment Agency</i>	<i>Redevelopment Agency</i>
<b>Phone:</b>	<i>510-494-4503</i>	<i>510-494-4513</i>
<b>E-Mail:</b>	<i>dvenkatram@fremont.gov</i>	<i>jhuber@fremont.gov</i>

**RECOMMENDATION:**

1. *Authorize funding for the Macau Cultural Center rehabilitation project as described in the staff report.*
2. *Authorize the Executive Director or his designee to execute such documents as necessary to provide estimated grant funding of \$43,148 and estimated loan assistance of \$96,746 through the Agency's Commercial Building Rehabilitation Program to the Macau Cultural Center for rehabilitation of their property located at 37695 Niles Boulevard.*

**3. PUBLIC COMMUNICATIONS**

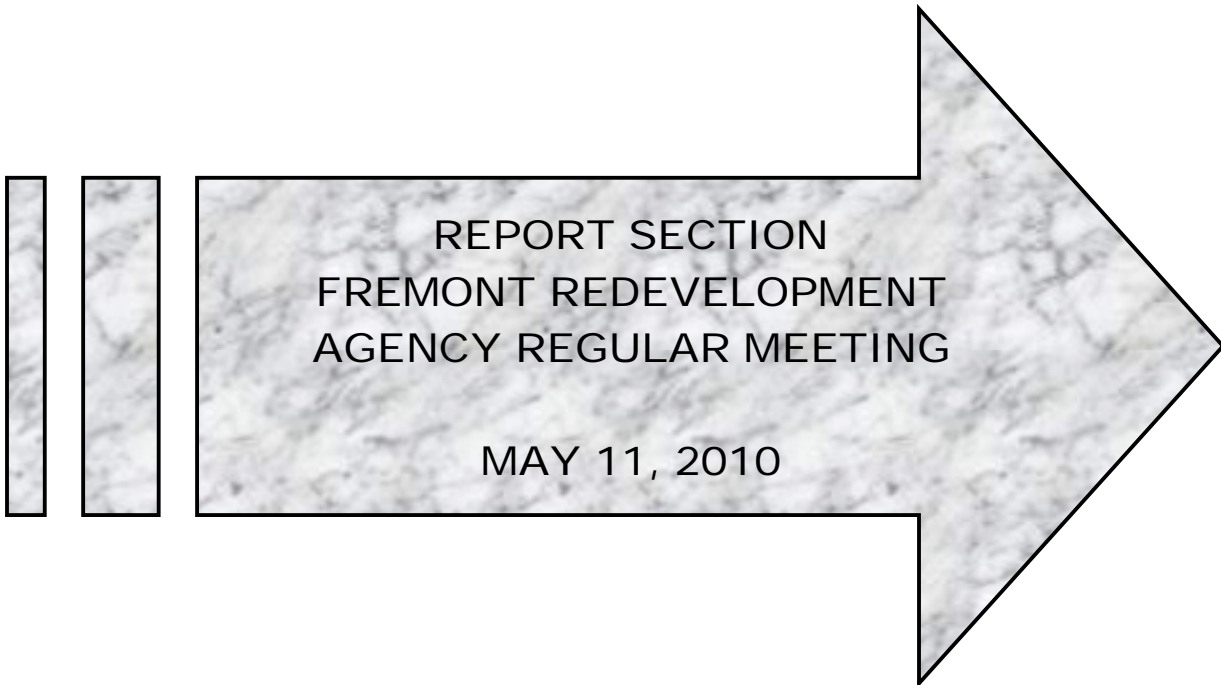
3.1 Oral and Written Communications

**4. PUBLIC HEARINGS – None.**

**5. OTHER BUSINESS**

5.1 Report Out from Closed Session of Any Final Action

**6. ADJOURNMENT**





**\*2.2 AUTHORIZATION TO PROVIDE FUNDING FOR THE MACAU CULTURAL CENTER REHABILITATION PROJECT**

**Authorization for the Executive Director to Execute Such Documents as Necessary to Provide Funding through the Commercial Building Rehabilitation Program to the Macau Cultural Center for the Rehabilitation of its Property Located at 37695 Niles Boulevard**

**Contact Person:**

Name:	Deepa Venkat Ram	Josh Huber
Title:	Management Analyst I	Project Manager
Dept.:	Redevelopment Agency	Redevelopment Agency
Phone:	510-494-4503	510-494-4513
E-Mail:	dvenkatram@fremont.gov	jhuber@fremont.gov

---

**Executive Summary:** Staff requests the Agency Board authorize the Executive Director to execute loan and grant agreements through the Commercial Building Rehabilitation Program to facilitate rehabilitation and historic preservation of the Macau Cultural Center, located at 37695 Niles Boulevard. The total cost of construction of this rehabilitation project is currently estimated at \$155,438. Based on the estimated project cost, this project is eligible for \$43,148 in grant assistance, and will require \$15,544 in an owner cash contribution and \$96,746 in Agency loan assistance. Investing in commercial properties such as the Macau Cultural Center will not only contribute towards preservation of the city's existing building stock, but it will also create economic stimulus opportunities, improve the physical environment, attract new businesses, promote reinvestment, and revitalize the commercial districts over time. Consequently, staff requests that the Agency Board authorize the Executive Director to execute such documents as necessary to provide funding through the Agency's Commercial Building Rehabilitation Program to the Macau Cultural Center for rehabilitation of their property, located at 37695 Niles Boulevard.

**BACKGROUND:** The Commercial Rehabilitation Loan Program was established in 2000 in order to provide loan assistance to property and business owners for renovation of their commercial buildings. In 2004 the Agency Board approved the Façade Improvement Grant Program, to encourage storefront rehabilitation, reduce blight, and create a more attractive retail-shopping environment. However, consistent feedback from property owners indicated that the grant and loan programs were not worth the time and effort given the amount of regulation required and costs involved (such as meeting the prevailing wage requirement). As a result, in 2007, the two programs were combined into the Commercial Building Rehabilitation Program with the intent that the revised program would provide greater financial incentives to generate larger rehabilitation projects. Additional incentives, such as reimbursement of permit fees, reimbursement of architectural fees associated with conceptual design services, and assistance with construction management activities, were included in the program to encourage further participation. In 2009, program participants indicated that significant increases in architectural concept design costs were a substantial disincentive for participants to see the project through to fruition. With the intent to ensure participant retention in the program and explore additional ways to make the program more attractive to property owners, staff recommended, and the Agency Board approved, an increase in the amount of architectural fees covered by the Agency for concept design services.

While staff continues to identify ways to engage and retain program participation and trigger economic stimulus opportunities in the three historic Redevelopment Project Areas of Centerville, Irvington, and Niles, the essential goals of the Commercial Building Rehabilitation Program continue to be historic preservation, building rehabilitation, neighborhood revitalization, business retention, and economic development. To enable the realization of the program's goals, incentives in the form of grants and interest-free loans are provided to commercial property owners for building rehabilitation and preservation. Grant and loan funds are provided for storefront façade improvements such as painting, landscaping, exterior lighting, signage, and window and tile replacement. Loan funds are available for expenses associated with general interior improvements, accessibility enhancements, seismic upgrades, and to correct limited building code violations. The program also requires owners to contribute matching funds towards the rehabilitation of the building in order to ensure property owner commitment to the project. Pursuant to program guidelines, commercial building rehabilitation projects are eligible for assistance in the following manner:

<b>Grant Assistance:</b>	75% of the total cost of construction or \$100,000, whichever is less. External façade improvements alone are eligible for grant assistance.
<b>Owner Contribution:</b>	25% of the total cost of construction.
<b>Loan Assistance:</b>	\$10,000 - \$200,000. External and internal improvements are eligible for loan assistance.

**DISCUSSION/ANALYSIS:** Over the last few years, the Agency and City have worked with the property owners of the Macau Cultural Center towards rehabilitation of their commercial property located at 37695 Niles Blvd. Built in the early 1900s, this 2,283 square foot historic building (also referred to as the Munoz building) in the Niles district is in a visually significant location at the intersection of Niles Boulevard and J Street, adjacent to the Heyman building renovated under this program in 2008, and two blocks from the recently completed Niles Town Plaza.

**Scope of Work:** The proposed project includes façade improvements such as rebuilding damaged bulkheads, repairing damaged tiles, replacing missing tiles, repairing the entrance door, replacing glazing in doors with safety glass, replacing door hardware with accessible lever handles, adding ADA-compliant power-assisted door openers at each entry, painting all wood elements on the façade, removing vertical board and side panel and replacing with fire-rated door, adding new light fixtures above each entry, installing a new Macau Cultural Center sign at the second story, upgrading electrical service and wiring along the façade, and strengthening structural framing to support future tenant signs and awnings. Additionally, the project includes internal improvements, including constructing ADA-compliant single user restrooms, installing ADA-compliant sinks and toilets, installing ADA signage at restroom doors, running new air vents and gas lines in restrooms, eliminating asbestos in the building, installing new HVAC split system and distribution, demolishing existing heater and duct work, painting walls, ceilings, and wood trim, removing wood panels and replacing with dry wall at windows, and installing an emergency light at each exit door.

**Process to Date:** The plans for the Macau Cultural Center improvements have been through a thorough review process by City staff and received approval by HARB. Additionally, the project has been subject to internal financial review and approval by the Program's internal funding committee comprised of Agency and City staff from Community Development, Finance, and Economic Development. Total construction cost for the rehabilitation of Macau Cultural Center is currently estimated at \$155,438.

Based on the estimated project cost, this project would be eligible for \$43,148 in grant assistance, and would require \$15,544 in an owner cash contribution and \$96,746 in Agency loan assistance. This investment will not only contribute towards preservation of the City's existing building stock, but it would also create economic stimulus opportunities, improve the physical environment, attract new businesses, promote reinvestment, and help revitalize the Niles district over time. Consequently, staff requests that the Agency Board authorize the Executive Director to execute such documents as necessary to provide funding through the Agency's Commercial Building Rehabilitation Program to the Macau Cultural Center for rehabilitation of their property located at 37695 Niles Boulevard.

**FISCAL IMPACT:** Total Agency assistance of \$139,894 is proposed, which would be in the form of a grant of \$43,148 and a loan of \$96,746 to be repaid to the Agency, interest free, over a 15-year loan term. Existing Agency appropriations are sufficient to cover funding for this project.

**ENVIRONMENTAL REVIEW:** The proposed façade remodel was previously reviewed and approved by the Historical Architectural Review Board (HARB) and found to be exempt from CEQA as a minor modification to an existing facility. No further environmental review is required.

**ENCLOSURE:** None

**RECOMMENDATION:**

1. Authorize funding for the Macau Cultural Center rehabilitation project as described in the staff report.
2. Authorize the Executive Director or his designee to execute such documents as necessary to provide estimated grant funding of \$43,148 and estimated loan assistance of \$96,746 through the Agency's Commercial Building Rehabilitation Program to the Macau Cultural Center for rehabilitation of their property located at 37695 Niles Boulevard.

## **5.1 Report Out from Closed Session of Any Final Action**